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Sustainable Modernization of Traditional Agriculture... MasAgro

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Agriculture in the Economy Agriculture in the News

Food Security

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Policy and Program Announcements

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Report Highlights:

On April 5, 2011, Mexican President Felipe Calderon unveiled a support program that several sources are calling the most important, recent public policy announcement for the agricultural sector. The Sustainable Modernization of Traditional Agriculture (MasAgro) program is a ten-year initiative with several components designed to increase yields for smallholder corn and wheat producers operating on non-irrigated land.

General Information:

Introduction: This report summarizes an April 5, 2011, <u>announcement</u> from the Government of Mexico (GOM) on the new program named Sustainable Modernization of Traditional Agriculture (MasAgro).

Disclaimer: This summary is based on a cursory review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: Formal Public Presentation of The MasAgro Program

Important Dates

Publication Date: April 5, 2011
Enforcement Date: April 5, 2011

Executive Summary: On April 5, 2011, Mexican President Felipe Calderon presented the MasAgro program. The main objectives of this ten-year initiative are to raise and stabilize corn and wheat yields for smallholders, increase incomes, and reduce the effects of climate change on Mexico's agricultural output by encouraging sustainable agricultural practices.

MasAgro will be funded by the Secretariat of Agriculture, Livestock, Rural Development, Fishery and Food (SAGARPA) and coordinated by the International Maize and Wheat Improvement Center (CIMMYT). SAGARPA will contribute \$138.0 million dollars over the next decade. Comparable investments from private sector institutions and foundations may be attracted in order to expand this initiative, as well.

The main goal of this Program is to increase domestic corn production by an additional five to nine million metric tons (MMT) across non-irrigated farming areas over the next decade (current non-irrigated corn production is around 13 MMT). MasAgro efforts should increase non-irrigated corn yields from 2.2 MT/Hectare (ha) to 3.7 MT/ha. MasAgro efforts are designed to increase wheat production by 350,000 MT during the next decade and increase wheat yields from the current average yield of 1.5 MT/ha by 50 percent. See 2011 GAIN Report MX1017 Grain and Feed Annual for additional information on Mexican corn and wheat production.

Sustainable Development with Growers: Members of the public and private sectors will work with smallholder farmers to increase corn and wheat yields and increase efficiencies in production systems. Additionally, the Program will strengthen local small and medium-scale agricultural industries (e.g., seed vendors). Moreover, the Program seeks to share appropriate seed varieties, integrate practices for soil conservation and water management, generate efficient post-harvest technologies, and introduce precision farming practices and mobile messaging to keep growers informed of best agronomic practices and location specific markets.

According to Under Secretary for Agriculture Mariano Ruiz-Funes the strategies, below, are essential

for MasAgro. The strategies help Mexican farmers obtain higher and more stable crop yields, better incomes, and curb environmental degradation. In addition, Ruiz-Funes pointed out, "smallholder farmers need access to certified seed at low prices for the country to reduce its growing reliance on imported grain."

International Strategy to Increase Corn Yields: Participants will increase the capacity of local corn seed producers to generate and share different types of corn seed varieties and low-cost hybrids among smallholder growers. The strategy will provide access to state-of-the-art technology for seed companies as well as the corn marketing chain.

According to Marianne Bänziger, CIMMYT Deputy Director General for Research and Partnerships, the key to reaching production goals will not be corn improvement per se, but widespread adoption of improved hybrids and varieties, as well as a stronger seed sector. Bänziger stated that Mexico could double its corn yields if the proportion of land planted to improved seed grows from 25 to 75 percent (from 1 to 3 million hectares), over the next ten years. The Program aims to help up to 30 seed companies produce and commercialize certified corn seed.

International Strategy to Increase Wheat Yields: This is Mexico's contribution to an international consortium of researchers from public and private sectors from over 30 countries. The researchers have joined forces to increase wheat yields by 50 percent by making adaptations in the plant architecture and through photosynthetic improvements. The strategy will stabilize the price of wheat and ensure that wheat can be grown in a sustainable manner in countries, including Mexico, severely affected by climate change.

Seeds of Discovery (SeeD): This component of MasAgro will use advanced technologies to study the genetic diversity of CIMMYT's and other seed collections in Mexico. The information generated will be available to breeders and researchers throughout the world.

In addition, this component of MasAgro has the ambitious goal of characterizing the global biodiversity for corn and wheat by comprehensively surveying the genetic makeup of seed collections and evaluating key agricultural traits for prioritized accessions. According to a CIMMYT source, a key issue for Mexican participants is how the potential user benefits would be shared, not only with researchers, but also with the growers who originally provided the genetic resources. The source stated, "We need to meet with potential partners from Mexico to address these and other issues." SeeD is "...not a conservation exercise, it is about using the materials to make progress and create an impact."

Another part of MasAgro will focus on analyzing samples for the SeeD component. It will offer genetic analysis services to other MasAgro components and Mexican institutions. Phenotyping networks will concentrate on drought tolerance and resistance to biotic stresses. Another proposal under this component is to harmonize and standardize phenotyping protocols so that data are comparable across participant institutions.

In addition to CIMMYT, there are other Mexican research institutions involved in MasAgro. These are the National Institute of Forestry, Agricultural, and Livestock Research (INIFAP), the Chapingo Autonomous University (UACH), the Graduate School (COLPOS), the *Universidad Autónoma Agraria Antonio Narro* (UAAAN), and the Center for Research and Advanced Studies (CINVESTAV) of the National Polytechnic Institute (IPN). Also, involved are Mexico's seed industry, the Secretariat of

Public Education (SEP), the Secretariat of Environment and Natural Resources (SEMARNAT), as well as various public and private institutions linked to the food value chain.

FAS/Mexico Web Site: We are available at www.mexico-usda.com or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

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MX0094	Tortilla Price Crisis To Be Determined	12/15/10
MX0089	December Grain and Feed Update	12/03/10
MX0078	Grain and Feed Update	10/26/10
MX0070	October Grain and Feed Update	10/05/10
MX0060	September Grain and Feed Update	09/03/10

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx and Mexico's equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx. These web sites are mentioned for the readers' convenience but USDA does not in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.